

# County Trends



## Iron

September 2003

### A Local Economic Perspective

#### Inching along towards growth. . .

Iron County's economy was showing signs of recovery. . .and then it wasn't. The previous quarter showed job growth, but the most current figures displayed job losses once again. Plus, construction permitting dropped. Still, joblessness seems to be waning. But, while sales appear to be skyrocketing the rise may be short-lived.

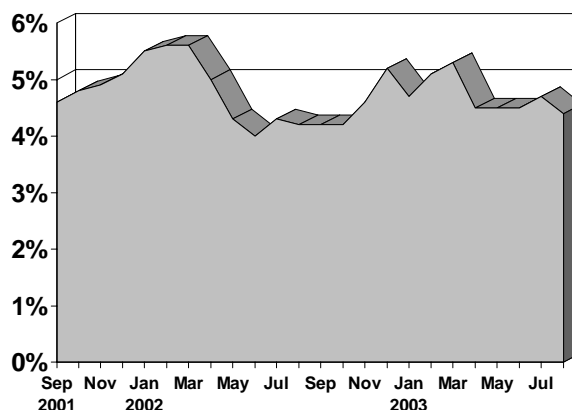
#### *Jobs are Down, but. . .*

During the final quarter of 2002, Iron County job growth figures didn't measure staggeringly high, but even a small amount of growth is better than the employment hemorrhage of 2001. But, by first quarter 2003, the county was once again experiencing job losses. The most current monthly figures available—March 2003—show a year-to-year employment decrease of almost 2 percent (140 jobs).

Of course, we knew this would happen. The closure of several telemarketing firms was due to hit the numbers in first quarter. However, the lost jobs can't all be attributed to this particular event. Construction, retail trade, private educational services, and accommodation/food services industries all experienced employment declines. Public education employment dipped as well.

Despite these decreases, several industries are

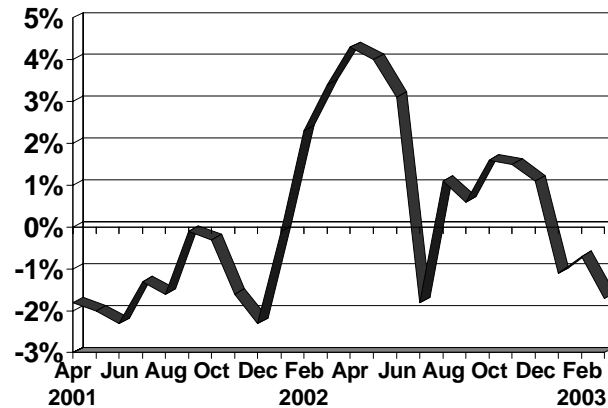
*Seasonally Adjusted Iron County Unemployment Rates*



Source: Utah Department of Workforce Services.



## Year-Over Change in Iron County Employment



Source: Utah Department of Workforce Services.

# To the Point

Iron County's labor market relapsed during the first quarter of 2003. As we expected, employment levels were affected by business closures. The good news? Joblessness remains low, manufacturing is on the verge of expansion. And, other indicators are holding steady.

expanding. By March, manufacturing employment levels were holding steady and are destined to rise as newly announced operations come on line. Financial activities and wholesale trade both showed double-digit growth over the past year. In addition, health care/social services added a substantial number of new positions.

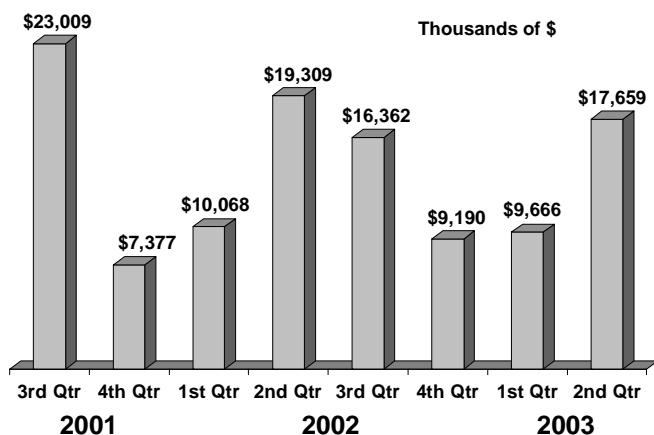
On the flip side of the employment coin, joblessness continued to slip from the levels experienced earlier in the year. Iron County's August 2003 unemployment rate measured a mere 4.4 percent—much lower than the Utah (5.1 percent) and U.S. (6.1 percent). Since the availability of job-growth figures lags the unemployment estimates, this may suggest that job growth numbers will pick in the next data release.

### *In a Holding Pattern*

Construction permitting values took a slight dip between the second quarters of 2002 and 2003. However, in the building world, a year-to-year decline of less than 9 percent is almost like holding steady.

As in the first quarter of 2003, a substantial increase in nonresidential additions/alterations/repairs helped keep Iron County's construction values on an even keel. Interestingly, while the number of new home permits issued dropped by one-fourth compared to second quarter 2002, the value of residential permits actually increased by almost 2 percent. Commercial building was another story—issued permit values declined by more than 30 percent—despite the authorization of two large public projects.

## Total Iron County Approved Construction Values



Source: Utah Bureau of Economic & Business Research.

### Beware of Data Distortion

Just as in the previous quarter, Iron County's gross taxable sales made an astounding 31-percent leap during the first quarter of 2003. Don't expect the astonishment to continue. A large, atypical capital expenditure in the electric/gas industry distorts the picture. Without this unusual expenditure, Iron County's sales would have shown no growth at all.

Wholesale trade sales are down substantially, while retail trade sales showed a moderate 4-percent increase. Services industry sales dipped noticeably—although sales at hotels/motels rose by 10 percent.

### At Last

While Iron County's economy was showing signs of recovery, the most important local indicator of economic health relapsed. Still, joblessness remains low and new jobs are on the way. In other words, while Iron County hasn't totally shook off the economic malaise of the past several years, it is showing signs of recuperation and should improve in the months ahead.

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## Quick Facts

### August 2003

#### Unemployment Rate

Iron County	4.4%
Utah	5.1%
U.S.	6.1%

### Mar 2003 Change from Previous Year

#### Job Growth

Iron County	-1.7%
Utah	-0.1%
U.S.	-0.3%

### 2nd Qtr 2003 Change from Previous Year

#### Construction Values

Iron County	-8.5%
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### 1st Qtr 2003 Change from Previous Year

#### Sales

Iron County	31.4%
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Source: Utah Dept of Workforce Services,  
 Bureau of Labor Statistics,  
 Utah Tax Commission,  
 Bureau of Econ & Business Research.

**For more economic information about Iron County see:**  
**<http://jobs.utah.gov/wi/regions/county.asp>**

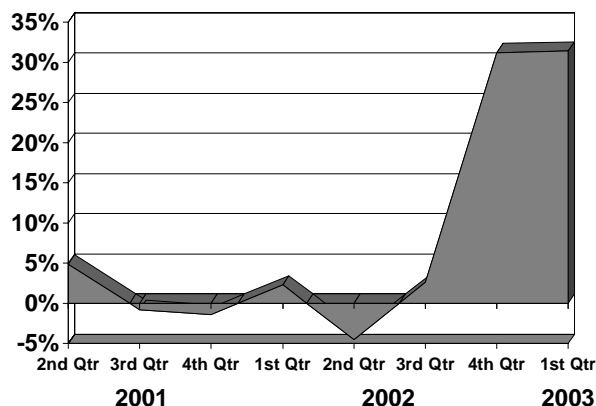
# State of Utah

## Utah Department of Workforce Services

140 East 300 South  
PO Box 45249  
Salt Lake City, UT 84145-0249

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### Year-Over Change in Iron County Gross Taxable Sales



Source: Utah Tax Commission.

*The mission of the Utah Department of Workforce Services is to provide quality, accessible, and comprehensive employment-related and supportive services responsive to the needs of employers, job seekers, and the community.*

## What's Up?

- The Lozier Corp., which manufactures metal retail store fixtures, will start a manufacturing facility in the former O'Sullivan Industries building in Cedar City. The company initially will employ 100 people, a number that could grow to 300 in the next five years. Lozier anticipates an initial investment in the community of about \$10 million.
- During July, the Cedar City hotel/motel occupancy rate measured 80.4 percent compared to 66 percent state-wide.

**For more economic events, see:**

<http://jobs.utah.gov/wi/Regions/western/iron/ironsee.pdf>



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